

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>WALLACE RICHARD P</u> (Last) (First) (Middle) <u>C/O KLA-TENCOR CORPORATION</u> <u>ONE TECHNOLOGY DRIVE</u> (Street) <u>MILPITAS CA 95035</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>KLA TENCOR CORP [KLAC]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>President and CEO</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>08/04/2017</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/04/2017		M		20,675 ⁽¹⁾	A	\$0	58,391	D	
Common Stock	08/04/2017		F		10,789 ⁽²⁾	D	\$88.83	47,602	D	
Common Stock	08/06/2017		M		52,176 ⁽³⁾	A	\$0	99,778	D	
Common Stock	08/06/2017		F		27,227 ⁽⁴⁾	D	\$88.83	72,551	D	
Common Stock	08/07/2017		M		11,000 ⁽⁵⁾	A	\$0	83,551	D	
Common Stock	08/07/2017		F		5,740 ⁽²⁾	D	\$92.01	77,811	D	
Common Stock								9,182	I	By Trust ⁽⁶⁾
Common Stock - Restricted Stock Units ⁽⁷⁾								162,969 ⁽⁸⁾	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date					

Explanation of Responses:

- On August 4, 2016, the Reporting Person received a grant of RSUs covering 82,700 shares of KLA-Tencor common stock. On August 4, 2017, the Reporting Person vested in 25% of such RSUs.
- Pursuant to such terms of the August 4, 2016 RSU grant, 10,798 shares of KLA-Tencor common stock were automatically withheld at vesting to cover required tax withholding.
- On August 6, 2013, August 6, 2013, and August 6, 2015, the Reporting Person received a grant of RSUs or PRSUs covering 44,500 (RSU), 44,500 (PRSU) and 52,950 (RSU) shares of KLA-Tencor common stock, respectively. On August 6, 2017, the Reporting Person vested in 25% of such RSUs and 50% of the PRSUs.
- Pursuant to such terms of the August 6, 2013, August 6, 2013 and August 6, 2015 grants, 27,227 shares of KLA-Tencor common stock were automatically withheld at vesting to cover required tax withholding.
- On August 7, 2014, the Reporting Person received a grant of RSUs covering 44,000 shares of KLA-Tencor common stock. On August 7, 2017, the Reporting Person vested in 25% of such RSUs.
- Shares held under the Wallace Living Trust u/a/d 03/27/01, as amended, a trust of which the Reporting Person is a trustee and beneficiary.
- Each RSU represents a contingent right to receive one share of KLA-Tencor common stock.
- Does not include performance-based RSUs, if any, held by the Reporting Person for which an assessment has not yet been made regarding the achievement of the applicable performance goals. Any such holdings will be reported on a Form 4 within two business days of the date such assessment is made.

Remarks:

Teri Little as Attorney-in-Fact 08/08/2017
for Richard P. Wallace

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.